



GVNW CONSULTING, INC.

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June 16, 2015

**REDACTED – FOR PUBLIC INSPECTION**

*VIA Courier*

Marlene H. Dortch, Secretary  
Federal Communication Commission  
Office of the Secretary  
445 12<sup>th</sup> Street, SW  
Washington, DC 20554

Re: Confidential Financial Information Subject to Protective Order in WC Docket Nos. 14-58, 07-135, 05-337, 03-109, CC Docket Nos. 01-92, 96-45, GN Docket No. 09-51, WT Docket No. 10-208. Before the Federal Communications Commission.  
Form 481 – Carrier Annual Reporting Data Collection, 2015

Dear Ms. Dortch:

On behalf of Lincoln County Telephone System, Inc. ("LCTS"), GVNW Consulting, Inc. hereby submits the attached redacted and confidential versions of its "FCC Form 481 – Carrier Annual Reporting Data Collection" information pursuant to sections 54.313 and 54.422 of the Commission's rules, as filed with the Universal Service Administrative Company. A copy is also being submitted to the Public Utility Commission of Nevada.

LCTS requests confidential treatment under the Protective Order previously adopted in this proceeding for the section 54.313(f)(2) financial information attached to the report on the grounds that it contains competitively sensitive information that is secure from public access and that this information should not be released publicly for inspection as it could be used by a competitor to disadvantage or harm LCTS. In addition, LCTS is requesting confidential treatment pursuant to sections 0.457 and 0.459 of the Commission's rules for the Progress Report required by section 54.313(a)(1) to be attached to this report. Similar to the financial information submitted under section 54.313(f)(2), the information contained in the Progress Report contains competitively sensitive information, including but not limited to build-out activities and capital expenditures, that is secure from public access as it could be used by a competitor to disadvantage or harm LCTS.

In accordance with the Protective Order, two redacted copies marked "REDACTED – FOR PUBLIC INSPECTION" and one non redacted confidential version marked "CONFIDENTIAL – NOT FOR PUBLIC INSPECTION" are being filed with the Commission. A redacted copy has also been filed via the Electronic Comment Filing System.

If you have any questions, please contact me at 503-612-4461.

Sincerely,



Ken Snow  
GVNW Consulting, Inc.

Enclosures

Cc: Mr. Charles Tyler, FCC Telecommunications Access Policy Division (two copies, confidential)

<b>FCC Form 481 - Carrier Annual Reporting</b> Data Collection Form	FCC Form 481 OMB Control No. 3050-0090/0020 Corrected: 2/2003-0819 10/2018
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<010>	Study Area Code	552351
<015>	Study Area Name	LINCOLN CTY TEL SYS
<020>	Program Year	2015
<030>	Contact Name: Person USAC should contact with questions about this data	John W Christian
<035>	Contact Telephone Number: Number of the person identified in data line <030>	7759625131 ext.
<039>	Contact Email Address: Email of the person identified in data line <030>	sixgun@icarbonet.com

<b>ANNUAL REPORTING FOR ALL CARRIERS</b>	55-303 Completion Report	55-422 Completion Audit
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<100>	Service Quality Improvement Reporting	(complete attached worksheet)	<input checked="" type="checkbox"/> (check box when complete)
<200>	Outage Reporting (voice)	(complete attached worksheet)	<input type="checkbox"/>
<210>	<input checked="" type="checkbox"/> -- check box if no outages to report		<input type="checkbox"/>
<300>	Unfulfilled Service Requests (voice)	0	<input checked="" type="checkbox"/>
<310>	Detail on Attempts (voice)	<input type="checkbox"/> (attach descriptive document)	<input type="checkbox"/>
<320>	Unfulfilled Service Requests (broadband)	0	<input checked="" type="checkbox"/>
<330>	Detail on Attempts (broadband)	<input type="checkbox"/> (attach descriptive document)	<input type="checkbox"/>
<400>	Number of Complaints per 1,000 customers (voice)		
<410>	Fixed	0.0	<input checked="" type="checkbox"/>
<420>	Mobile	0.0	<input type="checkbox"/>
<430>	Number of Complaints per 1,000 customers (broadband)		
<440>	Fixed	0.0	<input checked="" type="checkbox"/>
<450>	Mobile	0.0	<input type="checkbox"/>
<500>	Service Quality Standards & Consumer Protection Rules Compliance	(check to indicate certification)	<input checked="" type="checkbox"/>
<510>	552351nv510 .pdf <input type="checkbox"/> (attach descriptive document)		<input checked="" type="checkbox"/>
<600>	Functionality in Emergency Situations	(check to indicate certification)	<input checked="" type="checkbox"/>
<610>	552351nv610 .pdf <input type="checkbox"/> (attach descriptive document)		<input checked="" type="checkbox"/>
<700>	Company Price Offerings (voice)	(complete attached worksheet)	<input checked="" type="checkbox"/>
<710>	Company Price Offerings (broadband)	(complete attached worksheet)	<input checked="" type="checkbox"/>
<800>	Operating Companies and Affiliates	(complete attached worksheet)	<input checked="" type="checkbox"/>
<900>	Tribal Land Offerings (Y/N)?	(if yes, complete attached worksheet)	<input checked="" type="checkbox"/>
<1000>	Voice Services Rate Comparability Certification	Yes	<input checked="" type="checkbox"/>
<1010>	<input type="checkbox"/> (attach descriptive document)		<input type="checkbox"/>
<1100>	Certify whether terrestrial backhaul options exist (Yes or No)	(if not, check to indicate certification)	<input type="checkbox"/>
<1110>	<input type="checkbox"/> (complete attached worksheet)		<input type="checkbox"/>
<1200>	Terms and Condition for Lifeline Customers	(complete attached worksheet)	<input checked="" type="checkbox"/>

**Price Cap Carriers, Proceed to Price Cap Additional Documentation Worksheet**

*Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers*

<2000>	(check to indicate certification)	<input type="checkbox"/>
<2005>	(complete attached worksheet)	<input type="checkbox"/>
<b>Rate of Return Carriers, Proceed to ROR Additional Documentation Worksheet</b>		
<3000>	(check to indicate certification)	<input checked="" type="checkbox"/>
<3005>	(complete attached worksheet)	<input checked="" type="checkbox"/>

**(100) Service Quality Improvement Reporting  
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	553351
<015>	Study Area Name	LINCOLN CTY TEL SYS
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	John W Christian
<035>	Contact Telephone Number - Number of person identified in data line <030>	7759625131 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	sixquo@cturbonet.com
<110>	Has your company received its ETC certification from the FCC?	(yes / no) <input type="radio"/> <input checked="" type="radio"/>
<111>	If your answer to Line <110> is yes, do you have an existing §54.202(a) "5 year plan" filed with the FCC?	(yes / no) <input type="radio"/> <input type="radio"/>

If your answer to Line <111> is yes, then you are required to file a progress report, on line <112> delineating the status of your company's existing § 54.202(a) "5 year plan" on file with the FCC, as it relates to your provision of voice telephony service.

552351nv112.pdf

- <112> Attach Five-Year Service Quality Improvement Plan or, in subsequent years, your annual progress report filed pursuant to 47 C.F.R. § 54.313(a)(1). If your company is a CETC which only receives frozen support, your progress report is only required to address voice telephony service.

Name of Attached Document

Please select the appropriate responses below (Yes, No, Not Applicable) to confirm that the attached document(s), on line 112, contains a progress report on its five-year service quality improvement plan pursuant to §54.202(a). The information shall be submitted at the wire center level or census block as appropriate.

- <113> Maps detailing progress towards meeting plan targets  
 <114> Report how much universal service (USF) support was received  
 <115> How much (USF) was used to improve service quality and how support was used to improve service quality  
 <116> How much (USF) was used to improve service coverage and how support was used to improve service coverage  
 <117> How much (USF) was used to improve service capacity and how support was used to improve service capacity  
 <118> Provide an explanation of network improvement targets not met in the prior calendar year.

Yes
Yes
Yes
Yes
Yes
No

FCC Form 481  
OMB Control No. 3060-0986/OMB Control No. 3060-0819  
July 2013

<010>	Study Area Code	552351
<015>	Study Area Name	LINCOLN CTY TEL SYS
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	John W Christian
<035>	Contact Telephone Number - Number of person identified in data line <030>	7759625131 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	sixgun1cturbonet.com

[illegible]

(700) Price Offerings including Voice Rate Data  
Data Collection Form

FCC Form 481  
OMB Control No. 3060-0986/OMB Control No. 3060-0819  
July 2013

<010>	Study Area Code	552351
<015>	Study Area Name	LINCOLN CTY TEL SVS
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	John W Christian
<035>	Contact Telephone Number - Number of person identified in data line <030>	7759625131 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	slxoun@cturbonec.com

<701>	Residential Local Service Charge Effective Date	1/1/2015
<702>	Single State-wide Residential Local Service Charge	18.0

[illegible]

<b>(710) Broadband Price Offerings</b> <b>Data Collection Form</b>	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010>	Study Area Code	552351
<015>	Study Area Name	LINCOLN CTY TEL SYS
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	John W Christian
<035>	Contact Telephone Number - Number of person identified in data line <030>	7759525131 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	sixgun@lcturbonet.com

[illegible]

<010>	Study Area Code	552381
<015>	Study Area Name	LINCOLN CTY TEL SYS
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	John W Christian
<035>	Contact Telephone Number - Number of person identified in data line <030>	7759525131 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	sixgun@1cturbo.net.com
<810>	Reporting Carrier	Lincoln County Telephone Sys, Inc.
<811>	Holding Company	Lincoln Communications, Inc.
<812>	Operating Company	Lincoln County Telephone Sys, Inc.

<a1>	<a2>	<a3>
Affiliates	SAC	Doing Business As Company or Brand Designation

**(900) Tribal Lands Reporting  
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	552351
<015>	Study Area Name	LINCOLN CTY TEL SYS
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	JOHN W CHRISTIAN
<035>	Contact Telephone Number - Number of person identified in data line <030>	7759625131 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	ajcgun@ctarbo.net.com

&lt;910&gt; Tribal Land(s) on which ETC Serves

--

&lt;920&gt; Tribal Government Engagement Obligation

--

Name of Attached Document

If your company serves Tribal lands, please select (Yes, No, NA) for each these boxes to confirm the status described on the attached document(s), on line 920, demonstrates coordination with the Tribal government pursuant to § 54.313(a)(9) includes:

- <921> Needs assessment and deployment planning with a focus on Tribal community anchor institutions.
- <922> Feasibility and sustainability planning;
- <923> Marketing services in a culturally sensitive manner;
- <924> Compliance with Rights of way processes
- <925> Compliance with Land Use permitting requirements
- <926> Compliance with Facilities Siting rules
- <927> Compliance with Environmental Review processes
- <928> Compliance with Cultural Preservation review processes
- <929> Compliance with Tribal Business and Licensing requirements.

Select Yes or No or Not Applicable

**(1100) No Terrestrial Backhaul Reporting  
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	552351
<015>	Study Area Name	LINCOLN CTY TEL SYS
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	John W Christian
<035>	Contact Telephone Number - Number of person identified in data line <030>	7759625131 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	slxgn@iceturbonet.com

<1120> Please confirm whether terrestrial backhaul options exist within the supported area pursuant to § 54.313(g) (Yes, No).

<1130> Please select the appropriate response (Yes, No, Not Applicable) to confirm the reporting carrier offers broadband service of at least 1 Mbps downstream and 256 kbps upstream within the supported area pursuant to § 54.313(g).

**(1200) Terms and Condition for Lifeline Customers****Lifeline  
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	552351
<015>	Study Area Name	LINCOLN CITY TEL SYS
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	John W Christian
<035>	Contact Telephone Number - Number of person identified in data line <030>	7759625131 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	sixgun@cturbonet.com

552351nv1210.pdf

&lt;1210&gt; Terms &amp; Conditions of Voice Telephony Lifeline Plans

Name of Attached Document

&lt;1220&gt; Link to Public Website

HTTP

"Please check these boxes below to confirm that the attached document(s), on line 1210, or the website listed, on line 1220, contains the required information pursuant to § 54.422(a)(2) annual reporting for ETCs receiving low-income support, carriers must annually report:

- <1221> Information describing the terms and conditions of any voice telephony service plans offered to Lifeline subscribers, ☒
- <1222> Details on the number of minutes provided as part of the plan, ☒
- <1223> Additional charges for toll calls, and rates for each such plan. ☒

## [2000] Price Cap Carrier Additional Documentation

## Data Collection Form

Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers

FCC Form 481

OMB Control No. 3060-0985/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	592351
<015>	Study Area Name	LINCOLN CPE TEL SYS
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	JOHN A. CARLISLE
<035>	Contact Telephone Number - Number of person identified in data line <030>	779623151 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	slxgunwicz@comcast.com

Select the appropriate responses below (Yes, No, Not Applicable) to note compliance as a recipient of Incremental Connect America Phase I support, frozen High Cost support, High Cost support to offset access charge reductions, and Connect America Phase II support as set forth in 47 CFR § 54.313(b),(c),(d),(e). The information reported on this form and in the documents attached below is accurate.

## Incremental Connect America Phase I reporting

- <2010> 2nd Year Certification {47 CFR § 54.313(b)(1)(i)}
- <2011a> 3rd Year Certification {47 CFR § 54.313(b)(1)(ii)}
- <2011b> Attachment {47 CFR § 54.313(b)(1)(i)}


Name of Attached Document(s) Listing Required Information

## Price Cap Carrier Receiving Frozen Support Certification {47 CFR § 54.312(a)}

- <2012> 2013 Frozen Support Calculation {47 CFR § 54.313(c)(1)}
- <2013> 2014 Frozen Support Calculation {47 CFR § 54.313(c)(2)}
- <2014> 2015 Frozen Support Calculation {47 CFR § 54.313(c)(3)}
- <2015> 2016 and future Frozen Support Calculation {47 CFR § 54.313(c)(4)}


## Price Cap Carrier Connect America ICC Support {47 CFR § 54.313(d)}

- <2016> Certification Support Used to Build Broadband


## Connect America Phase II Reporting {47 CFR § 54.313(e)}

- <2017> 3rd year Broadband Service Certification
- <2018> 5th year Broadband Service Certification
- <2019> Interim Progress Certification
- <2020> Please check the box to confirm that the attached document(s), on line 2021, contains the required information pursuant to § 54.313 (e)(3)(ii), as a recipient of CAF Phase II support shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year.


- <2021> Interim Progress Community Anchor Institutions


Name of Attached Document(s) Listing Required Information

## (3000) Rate Of Return Carrier Additional Documentation

Data Collection Form

FCC Form 481

OMB Control No. 3050-0988/OMB Control No. 3050-0818

July 2013

<010> Study Area Code	552351
<015> Study Area Name	LINCOLN CTY TEL SYS
<020> Program Year	2015
<030> Contact Name - Person USAC should contact regarding this data	John W Christian
<035> Contact Telephone Number - Number of person identified in data line <030>	7759625131 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	elxmn@lccurbonet.com

CHECK the boxes below to note compliance on its five year service quality plan (pursuant to 47 CFR § 54.202(a)) and, for privately held carriers, ensuring compliance with the financial reporting requirements set forth in 47 CFR § 54.313(f)(2). I further certify that the information reported on this form and in the documents attached below is accurate.

552351nv3010.docx

- (3010) Progress Report on 5 Year Plan  
Milestone Certification (47 CFR § 54.313(f)(1)(i))

Name of Attached Document Listing Required Information

- (3011) Please check this box to confirm that the attached document(s), on line 3012 contains the required information pursuant to § 54.313 (f)(1)(ii), the carrier shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year. ☐

- (3012) Community Anchor Institutions (47 CFR § 54.313(f)(1)(ii))

Name of Attached Document Listing Required Information

- (3013) Is your company a Privately Held ROR Carrier (47 CFR § 54.313(f)(2))  
(3014) If yes, does your company file the RUS annual report

(Yes/No)

(Yes/No)



Please check these boxes to confirm that the attached document(s), on line 3017, contains the required information pursuant to § 54.313(f)(2) compliance requires:

- (3015) Electronic copy of their annual RUS reports (Operating Report for Telecommunications Borrowers)  
(3016) Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows



- (3017) If the response is yes on line 3014, attach your company's RUS annual report and all required documentation

552351nv3017.pdf

Name of Attached Document Listing Required Information

- (3018) If the response is no on line 3014, is your company audited?

(Yes/No)



If the response is yes on line 3018, please check the boxes below to confirm your submission, on line 3025 pursuant to § 54.313(f)(2), contains:

- (3019) Either a copy of their audited financial statement; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications ☐

- (3020) Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows ☐

- (3021) Management letter and audit opinion issued by the independent certified public accountant that performed the company's financial audit ☐

If the response is no on line 3018, please check the boxes below to confirm your submission, on line 3026 pursuant to § 54.313(f)(2), contains:

- (3022) Copy of their financial statement which has been subject to review by an independent certified public accountant; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers, ☐

- (3023) Underlying information subjected to a review by an independent certified public accountant ☐

- (3024) Underlying information subjected to an officer certification. ☐

- (3025) Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows ☐

- (3026) Attach the worksheet listing required information

Name of Attached Document Listing Required Information

(3000) Rate of Return Carrier Additional Documentation (Continued)

Data Collection Form

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010> Study Area Code	552351
<015> Study Area Name	LINCOLN CITY TEL SYS
<020> Program Year	2016
<030> Contact Name - Person USAC should contact regarding this data	John W Christian
<035> Contact Telephone Number - Number of person identified in data line <030>	7759625131 ext.
<089> Contact Email Address - Email Address of person identified in data line <030>	sjagun@cturbonet.com

## Financial Data Summary

(3027) Revenue

(3028) Operating Expenses

(3029) Net Income

(3030) Telephone Plant In Service (TPIS)

(3031) Total Assets

(3032) Total Debt

(3033) Total Equity

(3034) Dividends

REDACTED  
 FOR PUBLIC INSPECTION

Certification - Reporting Carrier Data Collection Form	FCC Form 481 OMB Control No. 3060-0984/OMB Control No. 3060-0819 July 2013
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<010> Study Area Code	552351
<015> Study Area Name	LINCOLN CTY TEL SYS
<020> Program Year	2016
<030> Contact Name - Person USAC should contact regarding this data	John W Christian
<035> Contact Telephone Number - Number of person identified in data line <030>	7759625131 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	slxgun@iceturbonet.com

TO BE COMPLETED BY THE REPORTING CARRIER, IF THE REPORTING CARRIER IS FILING ANNUAL REPORTING ON ITS OWN BEHALF:

Certification of Officer as to the Accuracy of the Data Reported for the Annual Reporting for CAF or LI Recipients	
I certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual reporting requirements for universal service support recipients; and, to the best of my knowledge, the information reported on this form and in any attachments is accurate.	
Name of Reporting Carrier: LINCOLN CTY TEL SYS	
Signature of Authorized Officer: CERTIFIED ONLINE	Date: 06/16/2015
Printed name of Authorized Officer: John Christian	
Title or position of Authorized Officer: President	
Telephone number of Authorized Officer: 7759625131 ext.	
Study Area Code of Reporting Carrier: 552351	Filing Due Date for this form: 07/01/2015
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

Certification - Agent / Carrier Data Collection Form		FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
<010> Study Area Code	552351	
<015> Study Area Name	LINCOLN CTY TEL SYS	
<020> Program Year	2016	
<030> Contact Name - Person USAC should contact regarding this data	John W. Christian	
<035> Contact Telephone Number - Number of person identified in data line <030>	7759625131 ext.	
<036> Contact Email Address - Email Address of person identified in data line <030>	sixgun@icubonet.com	

TO BE COMPLETED BY THE REPORTING CARRIER, IF AN AGENT IS FILING ANNUAL REPORTS ON THE CARRIER'S BEHALF:

Certification of Officer to Authorize an Agent to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I certify that (Name of Agent) _____ is authorized to submit the information reported on behalf of the reporting carrier. I also certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual data reporting requirements provided to the authorized agent; and, to the best of my knowledge, the reports and data provided to the authorized agent is accurate.	
Name of Authorized Agent: _____	
Name of Reporting Carrier: _____	
Signature of Authorized Officer: _____	Date: _____
Printed name of Authorized Officer: _____	
Title or position of Authorized Officer: _____	
Telephone number of Authorized Officer: _____	
Study Area Code of Reporting Carrier: _____	Filing Due Date for this form: _____
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

TO BE COMPLETED BY THE AUTHORIZED AGENT:

Certification of Agent Authorized to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I, as agent for the reporting carrier, certify that I am authorized to submit the annual reports for universal service support recipients on behalf of the reporting carrier; I have provided the data reported herein based on data provided by the reporting carrier; and, to the best of my knowledge, the information reported herein is accurate.	
Name of Reporting Carrier: _____	
Name of Authorized Agent or Employee of Agent: _____	
Signature of Authorized Agent or Employee of Agent: _____	Date: _____
Printed name of Authorized Agent or Employee of Agent: _____	
Title or position of Authorized Agent or Employee of Agent: _____	
Telephone number of Authorized Agent or Employee of Agent: _____	
Study Area Code of Reporting Carrier: _____	Filing Due Date for this form: _____
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

## Attachments

(710) Broadband Price Offerings  
Data Collection Form

FCC Form 481

OMB Control No. 3062-0086/OMB Control No. 3060-0819

July 2013

<010> Study Area Code 552351  
<015> Study Area Name LINCOLN CTY TEL SYS  
<020> Program Year 2016  
<030> Contact Name - Person USAC should contact regarding this data John W Christier  
<035> Contact Telephone Number - Number of person identified in data line <030> 7759625131 ext.  
<039> Contact Email Address - Email Address of person identified in data line <030> sixgun@turboneer.com

<711>	<a1>	<a2>	<b1>	<b2>	<c>	<d1>	<d2>	<d3>	<d4>
	State	Exchange (ILEC)	Residential Rate	State Regulated Fees	Total Rates and Fees	Broadband Service - Download Speed (Mbps)	Broadband Service - Upload Speed (Mbps)	Usage Allowance (GB)	Usage Allowance Action Taken When Limit Reached (select)
	NV	Alamo	44.0	0.0	44.0	4.0	1.0	100.0	Overage Charge
	NV	Alamo	59.0	0.0	59.0	4.0	1.0	200.0	Overage Charge
	NV	Alamo	59.0	0.0	59.0	6.0	1.0	100.0	Overage Charge
	NV	Alamo	74.0	0.0	74.0	6.0	1.0	200.0	Overage Charge
	NV	Alamo	84.0	0.0	84.0	6.0	1.0	300.0	Overage Charge
	NV	Alamo	116.0	0.0	116.0	15.0	10.0	200.0	Overage Charge
	NV	Alamo	126.0	0.0	126.0	15.0	10.0	300.0	Overage Charge
	NV	Alamo	188.0	0.0	188.0	50.0	25.0	200.0	Overage Charge
	NV	Alamo	199.0	0.0	199.0	50.0	25.0	300.0	Overage Charge
	NV	Alamo	267.0	0.0	267.0	100.0	50.0	200.0	Overage Charge
	NV	Alamo	278.0	0.0	278.0	100.0	50.0	300.0	Overage Charge
	NV	Caliente	44.0	0.0	44.0	4.0	1.0	100.0	Overage Charge
	NV	Caliente	59.0	0.0	59.0	4.0	1.0	200.0	Overage Charge
	NV	Caliente	59.0	0.0	59.0	6.0	1.0	100.0	Overage Charge
	NV	Caliente	74.0	0.0	74.0	6.0	1.0	200.0	Overage Charge
	NV	Caliente	84.0	0.0	84.0	6.0	1.0	300.0	Overage Charge
	NV	Caliente	116.0	0.0	116.0	15.0	10.0	200.0	Overage Charge
	NV	Caliente	126.0	0.0	126.0	15.0	10.0	300.0	Overage Charge
	NV	Caliente	188.0	0.0	188.0	50.0	25.0	200.0	Overage Charge
	NV	Caliente	199.0	0.0	199.0	50.0	25.0	300.0	Overage Charge
	NV	Caliente	267.0	0.0	267.0	100.0	50.0	200.0	Overage Charge

(710) Broadband Price Offerings  
Data Collection Form

FCC Form 481

OMB Control No. 3060-0936/OMB Control No. 3060-0819  
July 2013

<010>	Study Area Code	552351
<015>	Study Area Name	LINCOLN CTY TEL SYS
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	John W Christian
<035>	Contact Telephone Number - Number of person identified in data line <030>	7759625131 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	ajxgun@cturbonet.com

<01>	<02>	<03>	<04>	<05>	<06>	<07>	<08>	<09>
State	Exchange (ILEC)	Residential Rate	State Regulated Fees	Total Rates and Fees	Broadband Service - Download Speed (Mbps)	Broadband Service - Upload Speed (Mbps)	Usage Allowance (GB)	Usage Allowance Action Taken When Limit Reached (select)
NV	Callence	278.0	0.0	278.0	100.0	50.0	300.0	Overage Charge
NV	Panaca	44.0	0.0	44.0	4.0	1.0	100.0	Overage Charge
NV	Panaca	59.0	0.0	59.0	4.0	1.0	200.0	Overage Charge
NV	Panaca	59.0	0.0	59.0	6.0	1.0	100.0	Overage Charge
NV	Panaca	74.0	0.0	74.0	6.0	1.0	200.0	Overage Charge
NV	Panaca	84.0	0.0	84.0	6.0	1.0	300.0	Overage Charge
NV	Panaca	116.0	0.0	116.0	15.0	10.0	200.0	Overage Charge
NV	Panaca	126.0	0.0	126.0	15.0	10.0	300.0	Overage Charge
NV	Panaca	188.0	0.0	188.0	50.0	25.0	300.0	Overage Charge
NV	Panaca	199.0	0.0	199.0	50.0	25.0	300.0	Overage Charge
NV	Panaca	267.0	0.0	267.0	100.0	50.0	200.0	Overage Charge
NV	Panaca	278.0	0.0	278.0	100.0	50.0	300.0	Overage Charge
NV	Pioche	44.0	0.0	44.0	4.0	1.0	100.0	Overage Charge
NV	Pioche	59.0	0.0	59.0	4.0	1.0	200.0	Overage Charge
NV	Pioche	59.0	0.0	59.0	6.0	1.0	100.0	Overage Charge
NV	Pioche	74.0	0.0	74.0	6.0	1.0	200.0	Overage Charge
NV	Pioche	84.0	0.0	84.0	6.0	1.0	300.0	Overage Charge
NV	Pioche	116.0	0.0	116.0	15.0	10.0	200.0	Overage Charge
NV	Pioche	126.0	0.0	126.0	15.0	10.0	300.0	Overage Charge
NV	Pioche	188.0	0.0	188.0	50.0	25.0	200.0	Overage Charge
NV	Pioche	199.0	0.0	199.0	50.0	25.0	300.0	Overage Charge

(710) Broadband Price Offerings  
Data Collection Form

FCC Form 481  
OMB Control No. 3060-0986/OMB Control No. 3060-0819  
July 2013

<010>	Study Area Code	552351
<015>	Study Area Name	LINCOLN CTY TEL SYS
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	John A Christian
<035>	Contact Telephone Number - Number of person identified in data line <030>	7759625132 ext
<039>	Contact Email Address - Email Address of person identified in data line <030>	sixgun@lcturbanet.com

State	Exchange (ILEC)	Residential Rate	State Regulated Fees	Total Rates and Fees	Broadband Service Download Speed (Mbps)	Broadband Service Upload Speed (Mbps)	Usage Allowance (GB)	Usage Allowance Action Taken When Limit Reached (select)
NV	Pioche	267.0	0.0	267.0	100.0	50.0	200.0	Overage Charge
NV	Pioche	278.0	0.0	278.0	100.0	50.0	300.0	Overage Charge
NV	Coyote	44.0	0.0	44.0	4.0	1.0	100.0	Overage Charge
NV	Coyote	59.0	0.0	59.0	4.0	1.0	200.0	Overage Charge
NV	Coyote	59.0	0.0	59.0	5.0	1.0	100.0	Overage Charge
NV	Coyote	74.0	0.0	74.0	6.0	1.0	200.0	Overage Charge
NV	Coyote	84.0	0.0	84.0	6.0	1.0	300.0	Overage Charge
NV	Coyote	116.0	0.0	116.0	15.0	10.0	200.0	Overage Charge
NV	Coyote	126.0	0.0	126.0	15.0	10.0	300.0	Overage Charge
NV	Coyote	188.0	0.0	188.0	50.0	25.0	200.0	Overage Charge
NV	Coyote	199.0	0.0	199.0	50.0	25.0	300.0	Overage Charge
NV	Coyote	267.0	0.0	267.0	100.0	50.0	200.0	Overage Charge
NV	Coyote	278.0	0.0	278.0	100.0	50.0	300.0	Overage Charge
NV	Lake Valley	44.0	0.0	44.0	4.0	1.0	100.0	Overage Charge
NV	Lake Valley	59.0	0.0	59.0	4.0	1.0	200.0	Overage Charge
NV	Lake Valley	59.0	0.0	59.0	5.0	1.0	100.0	Overage Charge
NV	Lake Valley	74.0	0.0	74.0	6.0	1.0	200.0	Overage Charge
NV	Lake Valley	84.0	0.0	84.0	6.0	1.0	300.0	Overage Charge
NV	Sand Springs	44.0	0.0	44.0	4.0	1.0	100.0	Overage Charge
NV	Sand Springs	59.0	0.0	59.0	4.0	1.0	200.0	Overage Charge
NV	Sand Springs	59.0	0.0	59.0	5.0	1.0	100.0	Overage Charge

(710) Broadband Price Offerings  
Data Collection Form

FCC Form 481  
OMB Control No. 3060-0985/OMB Control No. 3060-0819  
July 2013

<010>	Study Area Code	592151
<015>	Study Area Name	LINCOLN CT. TEL. SYS
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	John S. Christian
<035>	Contact Telephone Number - Number of person identified in data line <030>	7759625131 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	slxgun@lctcarbonet.com

[illegible]

### Data Collection Form

OMB Control No 3060-0986/OMB Control No 3060-0819

July 2013

<010>	Study Area Code	552351
<015>	Study Area Name	LINCOLN CTY TEL SYS
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	John W Christian
<035>	Contact Telephone Number - Number of person identified in data line <030>	7759625131 ext
<039>	Contact Email Address - Email Address of person identified in data line <030>	slxgun@icctarbo.net
<810>	Reporting Carrier	Lincoln County Telephone Sys. Inc.
<811>	Holding Company	Lincoln Communications, Inc.
<812>	Operating Company	Lincoln County Telephone Sys. Inc.

[illegible]

Lincoln County Telephone System (LCTS)  
2015 Progress Report on Network Improvement Projects

**REDACTED  
FOR PUBLIC INSPECTION**

**REDACTED  
FOR PUBLIC INSPECTION**

**REDACTED  
FOR PUBLIC INSPECTION**

**REDACTED**  
**FOR PUBLIC INSPECTION**

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FOR PUBLIC INSPECTION**

**REDACTED  
FOR PUBLIC INSPECTION**

**Lincoln County Telephone Sys, Inc.**

FCC 481

**(510) Service Quality Standards & Consumer Protection Rules Compliance**

**Voice**

**Consumer Protection**

**Lincoln County Telephone Sys, Inc.** complies with the requirements of 47 CFR Part 64 Subpart U, Customer Proprietary Network Information and the Federal Trade Commission Red Flag rules to prevent identity theft. A manual for each of those programs is in place and is part of the employees' handbook. Employee training is conducted annually and new hires are instructed on the programs as required by their job functions.

**Service Quality Standards**

There is no service standard established by the Public Utilities Commission of Nevada. **Lincoln County Telephone Sys, Inc.** is committed to providing the highest quality service to its subscribers.

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**Lincoln County Telephone Sys, Inc.**  
FCC 481

**(600) Functionality in Emergency Situations**

Back-up Power

Lincoln County Telephone System, Inc. has the following back-up power capabilities:

<u>Central Office</u>	<u>Switch</u>	<u>Battery Life</u>	<u>Generator</u>	<u>Fuel Type</u>	<u>Fuel Capacity</u>
Lake Valley	Remote	8 Hours	Fixed	Propane	500 Gallons
Pioche	Host	8 Hours	Fixed	Diesel	200 Gallons
Panaca	Remote	8 Hours	Fixed	Diesel	500 Gallons
Caliente	Remote	8 Hours	Fixed	Diesel	500 Gallons
Alamo	Remote	8 Hours	Fixed	Diesel	100 Gallons
Sand Springs	Remote	8 Hours	Fixed	Propane	500 Gallons

Subscriber carrier:

RSC/48	8 Hours	Portable	Diesel	100 Gallons
RSC/120	8 Hours	Portable	Diesel	100 Gallons
SIERRA200	8 Hours	Portable	Diesel	100 Gallons

Network Interface Devices (NIDs)

Lincoln County Telephone System, Inc. has 2,105 customers with metallic (copper) connections to the Central Office and their NIDs are powered from the Central Office.

Lincoln County Telephone System, Inc. has 38 customers with non-metallic (fiber optic) connections to the Central Office. These customers' NIDs are battery powered in case of emergency. The batteries are rated to last 8 hours with no use and 4 hours with constant use.

Ability to reroute traffic around damaged facilities:

Lincoln County Telephone System, Inc. has two middle mile connection points one with AT&T Nevada (established 1966) and the other with Moapa Valley Telephone (established 1996). These fiber facilities are used to transport Voice and Data from our service area to the world. The Voice and Data network used to transport traffic within our service area utilizes fiber to connect the Pioche, Panaca, Caliente, Alamo and the Coyote Springs exchanges. The Sand Springs and Lake Valley exchanges are connected by digital microwave. Because there are less than 50 customers in these two exchanges no redundant facilities are planned. Currently copper cable facilities between Pioche, Panaca and Caliente provide redundant T1's for the Voice network. In 2014 a new fiber route between Panaca and Caliente was built and provides redundant voice and data interexchange services. Future plans include a SONET ring from our Caliente office that would connect to the Alamo central office via Coyote Springs providing redundant capacity between our exchanges and out to the world.

**Lincoln County Telephone Sys, Inc.**

**(600) Functionality in Emergency Situations**

Capability to manage traffic spikes resulting from emergency situations

Lincoln County Telephone System, Inc. has 2,143 customers, switching capacity of 40,000 simultaneous calls, and transport capacity for 192 simultaneous calls. In an emergency an additional transport capacity of 672 simultaneous calls could be installed. Lincoln County Telephone System, Inc. takes no responsibility for the capabilities of interconnected networks to manage traffic spikes resulting from emergency situations.

Lincoln County Telephone System, Inc.  
P.O. Box 150  
Pioche, Nevada 89043

2nd Revised P.U.C.N. Sheet No. 97  
Canceling 1st Revised P.U.C.N. Sheet No. 97

Tariff No. 1A

SCHEDULE NO. A-3

LIFELINE SERVICE

A. Description

Applicable to qualifying low-income, one-party residence customers of the Utility who meet the eligibility criteria established by the Federal Communications Commission's Rule 54.409(b).

B. Conditions

I. An applicant must meet all of the following criteria in order to be eligible for Lifeline Service:

- a. The customer's total household gross income does not exceed 150% of the federally established poverty levels set forth for the number of persons in that customer's household as updated. The applicant must provide documentation of income, or that a member of the household receives, or is eligible to receive, benefits from a public program.
- b. The customer must provide documentation which demonstrates the total household gross income of the applicant includes:
  - (1) Most recent federal or tribal tax return; or
  - (2) Three consecutive months of all income statements for applicant's household within the same calendar year. Such income statements include all forms of income pursuant to 47 C.F.R. 54.400(f); or
  - (3) Documentation which proves that the customer receives benefit from one or more of the eligible public programs listed below.
- c. Eligible public programs include one or more of the following programs:
  - (1) Medicaid;
  - (2) Supplemental Nutrition Assistance Program (SNAP), formerly known as Food Stamps; (T)
  - (3) Supplemental Security Income;
  - (4) Federal Public Housing Assistance;
  - (5) Low-Income Home Energy Assistance Program;
  - (6) Temporary Assistance to Needy Families; or
  - (7) National School Lunch Free Lunch Program.

Issued: October 1, 2010

Issued By:

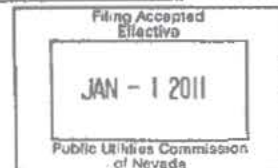
Effective: January 1, 2011

John W. Christian III

Advice No.: 8

President

For



Tariff No. 1A

SCHEDULE NO. A-3

LIFELINE SERVICE

B. Conditions – (Cont'd)

1. (Cont'd)

- d. The customer must sign, under penalty of perjury, a document certifying the following before the customer can receive Lifeline Service:
  - (1) The customer meets the criteria in B.1.a., b., and c., above.
  - (2) That the customer will notify the Utility when they no longer participate in the program or programs.
- e. The residence premises at which the residence service is requested is the applicant's principal place of residence.
- f. There is only one telephone line serving the residence premises. The residence premises household (dwelling unit) shall consist of that portion of an individual house or building or one flat or apartment occupied by a single family or individuals functioning as one domestic establishment.
2. Lifeline Service will not be furnished on a Foreign Exchange basis.
3. A customer who is eligible for the lifeline program, but has unpaid toll charges, shall be enrolled if the customer agrees to toll blocking and to set up a payment arrangement for the unpaid toll balance. To reestablish toll service, the customer must pay any outstanding toll bill in full. (C)
4. Toll blocking will be available at no charge. If the customer chooses toll blocking the Utility will not charge a deposit.
5. (D)
6. The FCC End User Common Line Charge does not apply.
7. This service is also offered in compliance with NAC 704.680474.
8. In order to verify a customer's continued eligibility through income documentation, the Utility shall contact those customers on an annual basis to determine whether or not the customers are still eligible to receive Lifeline services. All customers that do not provide documentation pursuant to Conditions B.1. demonstrating their continued eligibility within 60 days will have their telephone service switched to the full rate. (C)

Issued: March 2, 2012

Issued By:

Effective:

John W. Christian III

Advice No.: 11

President



Tariff No. 1A

SCHEDULE NO. A-3

LIFELINE SERVICE

B. Conditions - (Cont'd)

9. In order to verify a customer's continued eligibility through the public program participation, the Utility shall review the list of customers provided by the Department of Human Resources who are eligible to receive Lifeline services. Each carrier shall contact those customers no longer appearing on the list to determine whether or not the customers are still eligible to receive Lifeline services. All customers that do not provide documentation pursuant to Conditions B.1. demonstrating their continued eligibility within 60 days will have their telephone service switched to the full rate.
- (C)  
(C)

C. Rates

- |   | Rate Per<br>Month |     |
|---|-------------------|-----|
| 1. Federal and State Lifeline Credits for a One-Party Line: *   |                   | (T) |
| a. Federal Lifeline Support Credit  | \$9.25            | (C) |
| (Includes Federal End User Common Line Credit   |                   |     |
| of \$6.50 and remainder \$2.75 credit covers basic service)   |                   | (C) |
| b. State Lifeline Support Credit  | 3.50              | (D) |
| 2. Federal End User Common Line Charge  | No Charge         | (T) |
| (This charge is waived to qualified customers)  |                   | (D) |
| * The following services are included:  |                   | (T) |
| One party, voice grade access to the public switched network; a standard white page listing, access to emergency services (e.g., 911, E911), touch calling, access to operator services, access to interexchange services, unless toll blocking is provided; access to directory assistance; and Toll blocking. |                   |     |

Issued: March 2, 2012

Issued By:

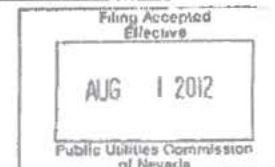
Effective:

John W. Christian III

Advice No.: 11

President

Aug



#### 54.313 Lifeline Customers MOU and Additional Toll Charges

lifeline subscribers receive the same residential service as a regular subscriber, but at a reduced monthly recurring rate. Thus, lifeline subscribers have an unlimited number of local calling minutes. As for toll, lifeline subscribers, similar to every LCTS subscriber, are free to choose their own toll usage plans through IXC's that serve LCTS.

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**Attachment for Line 3010**

Date: June 10, 2015

Ms. Marlene H. Dortch  
Secretary  
Federal Communications Commission  
9300 East Hampton Drive  
Capitol Heights, MD 20743

**Re: WC Docket No. 14-58, 2015 Annual Report, Form 481 for High-Cost Recipient  
54.313(f)(1) "Milestone Certification"**

Dear MSA Dortch:

In compliance with the filing requirements associated with, and attached to Form 481, we wish to advise the Commission that Lincoln County Telephone Sys, Inc. (SAC 552351) provides High Speed Internet service to its customers and:

- Has taken reasonable steps to provide upon reasonable request broadband service at actual speeds of 4 Mbps downstream/1 Mbps upstream;
- Provides latency suitable for real-time applications including VoIP and usage capacity which is reasonably comparable to those in urban areas and;
- That reasonable requests for service are met within a reasonable timeframe.

If there are questions, I may be contacted at 775-962-5131.

Sincerely,

John W Christian  
President

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 9572-0031. The time required to complete this information collection is estimated to average 4 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

<b>USDA-RUS</b>  <b>OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</b>		This data will be used by RUS to review your financial situation. Your response is required by 7 U.S.C. 981a-5(a), and, subject to federal laws and regulations regarding confidential information, will be treated as confidential. <b>BORROWER NAME</b> Lincoln County Telephone System, Inc.  (Prepared with Audited Data)			
INSTRUCTIONS: Submit report to RUS within 30 days after close of the period. For detailed instructions, see RUS Bulletin 1744-2. Report in whole dollars only.		<b>PERIOD ENDING</b> December, 2014		<b>BORROWER DESIGNATION</b> NV0501	
<b>CERTIFICATION</b> We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief. <b>ALL INSURANCE REQUIRED BY 7 CFR PART 1788, CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.</b>  <b>DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1788 OF 7 CFR CHAPTER XVII</b> (Check one of the following)					
<input checked="" type="checkbox"/> All of the obligations under the RUS loan documents have been fulfilled in all material respects.					
<input type="checkbox"/> There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in the Telecom Operating Report.					
John Christian		3/12/2015 DATE			
<b>PART A. BALANCE SHEET</b>					
ASSETS	BALANCE PRIOR YEAR	BALANCE END OF PERIOD	LIABILITIES AND STOCKHOLDERS' EQUITY	BALANCE PRIOR YEAR	BALANCE END OF PERIOD
<b>CURRENT ASSETS</b>			<b>CURRENT LIABILITIES</b>		
1. Cash and Equivalents			25. Accounts Payable		
2. Cash-RUS Construction Fund			26. Notes Payable		
3. Affiliates:			27. Advance Billings and Payments		
a. Telecom, Accounts Receivable			28. Customer Deposits		
b. Other Accounts Receivable			29. Current Mat. L/T Debt		
c. Notes Receivable			30. Current Mat. L/T Debt-Rur. Dev.		
4. Non-Affiliates:			31. Current Mat.-Capital Leases		
a. Telecom, Accounts Receivable			32. Income Taxes Accrued		
b. Other Accounts Receivable			33. Other Taxes Accrued		
c. Notes Receivable			34. Other Current Liabilities		
5. Interest and Dividends Receivable			35. Total Current Liabilities (25 thru 34)		
6. Material-Regulated			<b>LONG-TERM DEBT</b>		
7. Material-Nonregulated			36. Funded Debt-RUS Notes		
8. Prepayments			37. Funded Debt-RTB Notes		
9. Other Current Assets			38. Funded Debt-FFB Notes		
10. Total Current Assets (1 Thru 9)			39. Funded Debt-Other		
<b>NONCURRENT ASSETS</b>			40. Funded Debt-Rural Develop. Loan		
11. Investment in Affiliated Companies			41. Premium (Discount) on L/T Debt		
a. Rural Development			42. Recquired Debt		
b. Nonrural Development			43. Obligations Under Capital Lease		
12. Other Investments			44. Adv. From Affiliated Companies		
a. Rural Development			45. Other Long-Term Debt		
b. Nonrural Development			46. Total Long-Term Debt (36 thru 45)		
13. Nonregulated Investments			<b>OTHER LIAB. &amp; DEF. CREDITS</b>		
14. Other Noncurrent Assets			47. Other Long-Term Liabilities		
15. Deferred Charges			48. Other Deferred Credits		
16. Jurisdictional Differences			49. Other Jurisdictional Differences		
17. Total Noncurrent Assets (11 thru 16)			50. Total Other Liabilities and Deferred Credits (47 thru 49)		
<b>PLANT, PROPERTY, AND EQUIPMENT</b>			<b>EQUITY</b>		
18. Telecom, Plant-In-Service			51. Cap. Stock Outstand. & Subscribed		
19. Property Held for Future Use			52. Additional Paid-In-Capital		
20. Plant Under Construction			53. Treasury Stock		
21. Plant Adj., Nonop. Plant & Goodwill			54. Membership and Cap. Certificates		
22. Less Accumulated Depreciation			55. Other Capital		
23. Net Plant (18 thru 21 less 22)			56. Patronage Capital Credits		
24. TOTAL ASSETS (10+17+23)			57. Retained Earnings or Margins		
			58. Total Equity (51 thru 57)		
			59. TOTAL LIABILITIES AND EQUITY (35+46+50+59)		

Total Equity = 73.15% of Total Assets

Page 1 of 6

**REDACTED**  
**FOR PUBLIC INSPECTION**

USDA-RUS		BORROWER DESIGNATION	
OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS		NV0501	
		PERIOD ENDING December, 2014	
INSTRUCTIONS- See RUS Bulletin 1744-2			
PART B. STATEMENTS OF INCOME AND RETAINED EARNINGS OR MARGINS			
ITEM		PRIOR YEAR	THIS YEAR
1. Local Network Services Revenues			
2. Network Access Services Revenues			
3. Long Distance Network Services Revenues			
4. Carrier Billing and Collection Revenues			
5. Miscellaneous Revenues			
6. Uncollectible Revenues			
7. Net Operating Revenues (1 thru 5 less 6)			
8. Plant Specific Operations Expense			
9. Plant Nonspecific Operations Expense (Excluding Depreciation & Amortization)			
10. Depreciation Expense			
11. Amortization Expense			
12. Customer Operations Expense			
13. Corporate Operations Expense			
14. Total Operating Expenses (8 thru 13)			
15. Operating Income or Margins (7 less 14)			
16. Other Operating Income and Expenses			
17. State and Local Taxes			
18. Federal Income Taxes			
19. Other Taxes			
20. Total Operating Taxes (17+18+19)			
21. Net Operating Income or Margins (15+16-20)			
22. Interest on Funded Debt			
23. Interest Expense - Capital Leases			
24. Other Interest Expense			
25. Allowance for Funds Used During Construction			
26. Total Fixed Charges (22+23+24-25)			
27. Nonoperating Net Income			
28. Extraordinary Items			
29. Jurisdictional Differences			
30. Nonregulated Net Income			
31. Total Net Income or Margins (21+27+28+29+30-26)			
32. Total Taxes Based on Income			
33. Retained Earnings or Margins Beginning-of-Year			1
34. Miscellaneous Credits Year-to-Date			
35. Dividends Declared (Common)			
36. Dividends Declared (Preferred)			
37. Other Debits Year-to-Date			
38. Transfers to Patronage Capital			
39. Retained Earnings or Margins End-of-Period [(31+33+34) - (35+36+37+38)]			1
40. Patronage Capital Beginning-of-Year			
41. Transfers to Patronage Capital			
42. Patronage Capital Credits Retired			
43. Patronage Capital End-of-Year (40+41-42)			
44. Annual Debt Service Payments			
45. Cash Ratio [(14+20-10-11) / 7]			
46. Operating Accrual Ratio [(14+20+26) / 7]			
47. TIER [(31+26) / 26]			
48. DSCR [(31+26+10+11) / 44]			

USDA-RUS		BORROWER DESIGNATION
OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS		NV0501
INSTRUCTIONS – See help in the online application.		PERIOD ENDED December, 2014
PART I – STATEMENT OF CASH FLOWS		
1. Beginning Cash (Cash and Equivalents plus RUS Construction Fund)		
CASH FLOWS FROM OPERATING ACTIVITIES		
2. Net Income		
<i>Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities</i>		
3. Add: Depreciation		
4. Add: Amortization		
5. Other (Explain)		
<i>Changes in Operating Assets and Liabilities</i>		
6. Decrease/(Increase) in Accounts Receivable		
7. Decrease/(Increase) in Materials and Inventory		
8. Decrease/(Increase) in Prepayments and Deferred Charges		
9. Decrease/(Increase) in Other Current Assets		
10. Increase/(Decrease) in Accounts Payable		
11. Increase/(Decrease) in Advance Billings & Payments		
12. Increase/(Decrease) in Other Current Liabilities		
13. Net Cash Provided/(Used) by Operations		
CASH FLOWS FROM FINANCING ACTIVITIES		
14. Decrease/(Increase) in Notes Receivable		
15. Increase/(Decrease) in Notes Payable		
16. Increase/(Decrease) in Customer Deposits		
17. Net Increase/(Decrease) in Long Term Debt (Including Current Maturities)		
18. Increase/(Decrease) in Other Liabilities & Deferred Credits		
19. Increase/(Decrease) in Capital Stock, Paid-in Capital, Membership and Capital Certificates & Other Capital		
20. Less: Payment of Dividends		
21. Less: Patronage Capital Credits Retired		
22. Other (Explain)		
23. Net Cash Provided/(Used) by Financing Activities		
CASH FLOWS FROM INVESTING ACTIVITIES		
24. Net Capital Expenditures (Property, Plant & Equipment)		
25. Other Long-Term Investments		
26. Other Noncurrent Assets & Jurisdictional Differences		
27. Other (Explain) PPE Retirements		
28. Net Cash Provided/(Used) by Investing Activities		
29. Net Increase/(Decrease) in Cash		
30. Ending Cash		

Revision Date 2010

**REDACTED  
FOR PUBLIC INSPECTION**



## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH ASPECTS OF CONTRACTUAL AGREEMENTS AND REGULATORY REQUIREMENTS FOR TELECOMMUNICATIONS BORROWERS

To the Board of Directors  
**Lincoln County Telephone System, Inc.**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Lincoln County Telephone System, Inc., which comprise the balance sheet as of December 31, 2014, and the related statements of income and retained earnings and cash flows for the year ended, and the related notes to the financial statements, and have issued our report thereon dated March 3, 2015. In accordance with *Government Auditing Standards*, we have also issued our report dated March 3, 2015, on our consideration of Lincoln County Telephone System, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. No reports other than the reports referred to above and our schedule of findings and recommendations related to our audit have been furnished to management.

In connection with our audit, nothing came to our attention that caused us to believe that Lincoln County Telephone System, Inc. failed to comply with the terms, covenants, provisions, or conditions on its loan, grant, and security instruments as set forth in 7 CFR Part 1773, *Policy on Audits of Rural Utilities Service Borrowers*, §1773.33 and clarified in the RUS policy memorandum dated February 7, 2014, insofar as they relate to accounting matters as enumerated below. However, our audit was not directed primarily toward obtaining knowledge of noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding Lincoln County Telephone System, Inc.'s noncompliance with the above referenced terms, covenants, provisions, or conditions of the contractual agreements and regulatory requirements, insofar as they relate to accounting matters. In connection with our audit, we noted no matters regarding Lincoln County Telephone System, Inc.'s accounting and records to indicate that Lincoln County Telephone System, Inc. did not:

- Maintain adequate and effective accounting procedures;
- Utilize adequate and fair methods for accumulating and recording labor, material, and overhead costs, and the distribution of these costs to construction, retirement, and maintenance or other expense accounts;

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH ASPECTS OF CONTRACTUAL  
AGREEMENTS AND REGULATORY REQUIREMENTS FOR TELECOMMUNICATIONS BORROWERS  
(continued)**

- Reconcile continuing property records to the controlling general ledger plant accounts;
- Clear construction accounts and accrue depreciation on completed construction;
- Record and properly price the retirement of plant;
- Seek approval for the sale, lease, or transfer of capital assets and disposition of proceeds for the sale or lease of plant, material, or scrap;
- Maintain adequate control over materials and supplies;
- Prepare accurate and timely financial and operating reports;
- Obtain written RUS approval to enter into any contract, agreement, or lease with an affiliate;
- Disclose material related party transactions in the financial statements, in accordance with requirements for related parties in generally accepted accounting principles;
- Comply with the requirements for the detailed schedule of investments.

This report is intended solely for the information and use of the board of directors, management, and the RUS and supplemental lenders and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

*Moore Adams LLP*

Stockton, California  
March 3, 2015